

# NEBRASKA STATE BOARD OF PUBLIC ACCOUNTANCY

P.O. Box 94725, Lincoln, Nebraska 68509

Phone (402) 471-3595 or 1-800-564-6111

<http://www.nol.org/home/BPA>

## NEWSLETTER

### U n i f o r m   C P A   E x a m i n a t i o n

#### CPA EXAM TO BE COMPUTERIZED

The Nebraska Board of Public Accountancy has been following efforts of the American Institute of CPAs (AICPA) to computerize the Uniform CPA Examination. Many professional licensure exams, including nurses, architects, and real estate agents, have already been converted to a computerized format. The projected implementation date for the CPA exam is currently November, 2003.

In anticipation of the change to computer based testing (CBT), the Board asked **Senator Jon Bruning** of Omaha to introduce **Legislative Bill 455** this session. LB455 changes statutory language where necessary to ensure that the Board may give the new exam on the computer. This includes deleting references to a "written" exam and multiple parts or sections; and increasing the allowable cost of the exam from a maximum of \$200 to \$1,000. While the exact cost of the computerized examination is not yet known, other licensing exams have had the experience of fees doubling or even tripling. The Board is asking for a new maximum of \$1,000 to have the flexibility to meet all the costs of CBT. These costs will include Board and personnel administration, research and development, computer infrastructure and delivery, grading and reporting, and seat time at a computer testing center. Other exam issues yet to be determined include the length of the exam, transition from the paper and pencil format and security.

While the focus of LB455 was to prepare for CBT, there is also a provision that would reinstate the "good moral character" qualification back into the law. A good moral character qualification was in previous versions of Nebraska's Public Accountancy Act. It also appears in the model legislation "The Uniform Accountancy Act," and is a statutory requirement for at least thirty-four professions and trades in Nebraska.

#### SECURITY ISSUES PROMPT CHANGES FOR MAY, 2001 EXAM

Security of the non-disclosed Uniform CPA examination continues to be a priority for the Nebraska Board of Public Accountancy, as well as other jurisdictions. The National Association of State Boards of Accountancy (NASBA) created a special task force in 2000 to address issues of concern in the administration of the Uniform CPA examination. The "Examination Administration Security Task Force" (EASTF) released an exposure draft regarding security issues and solicited feedback on recommended procedures in the fall of 2000. The Nebraska Board of Public Accountancy has adopted all but one of those recommendations thus far and will implement them with the administration of the May, 2001 exam.

##### The new security measures are as follows:

1. Candidates will **NOT** be allowed to enter the examination room **AFTER** the instructions have begun.
2. The following items will **NOT** be allowed in the examination room: alarms (including those on wristwatches), books, review notes, exam review materials, backpacks, beepers, calculators, cell phones, coats, umbrellas, guns/weapons, pens/highlighters, hats/headwear (unless culturally or religiously required), purses, ticking clocks. If you bring these items to the exam site, you will be asked to take them out to your vehicle or leave them in an unsupervised area. The Board is not responsible for the theft or loss of items left on site.
3. The following items will be allowed but **MUST BE KEPT ON THE FLOOR**: bottled water, snacks (quiet consumables in a 6" x 6" clear plastic bag), tissues (kept in sight, not in pockets), small purse (6" x 8" maximum).
4. Candidates from other jurisdictions will only be proctored for the following three reasons: (1) student, (2) military duty, or (3) temporary work assignment.

**All first-time Nebraska candidates are required to sit in Nebraska.**

5. Candidates must stay 2 hours after exam writing begins. **Candidates cannot leave their seats during the last 30 minutes unless checking out and exiting.** Exit passes are required.
6. **PENCILS AND ERASERS WILL BE PROVIDED.** No pencils, erasers, highlighters, pens, etc. will be permitted to be brought in to the examination room.

If you have any questions about items that will be accepted into the examination room, please contact the Board office in advance of the May, 2001 CPA Exam.

## MAY, 1999 EXAM STATISTICS

The following statistics were compiled for the May, 1999 Uniform CPA Examination:

New Candidates	5
Re-exam Candidates	284
<b>Total</b>	<b>289</b>

	<u>New</u>	<u>Re-exam</u>
Passed all parts	0	15
Passed on conditioned status		48
Conditioned	1	30
Improved Condition		15
Lost conditioned status		3
Failed	4	176

## NOVEMBER, 1999 EXAM STATISTICS

The following statistics were compiled for the November, 1999 Uniform CPA Examination:

New Candidates	29
Re-exam Candidates	292
<b>Total</b>	<b>321</b>

	<u>New</u>	<u>Re-exam</u>
Passed all parts	4	11
Passed on conditioned status		52
Conditioned	2	43
Improved Condition		9
Lost conditioned status		2
Failed	23	177

## MAY, 2000 EXAM STATISTICS

The following statistics were compiled for the May, 2000 Uniform CPA Examination:

New Candidates	28
Re-exam Candidates	236
<b>Total</b>	<b>264</b>

	<u>New</u>	<u>Re-exam</u>
Passed all parts	3	7
Passed on conditioned status		31
Conditioned	6	37

	<u>New</u>	<u>Re-exam</u>
Improved Condition		19
Lost conditioned status		1
Failed	19	142

## NOVEMBER, 2000 EXAM STATISTICS

The following statistics were compiled for the November, 2000 Uniform CPA Examination:

New Candidates	56
Re-exam Candidates	245
<b>Total</b>	<b>291</b>

	<u>New</u>	<u>Re-exam</u>
Passed all parts	11	6
Passed on conditioned status		51
Conditioned	13	34
Improved Condition		24
Lost conditioned status		0
Failed	32	123

## MANY THANKS TO EXAM PROCTORS

The Board would not be able to conduct the examination without the assistance of many volunteers. It is their willingness to proctor one or two days each exam that makes the examination process secure and successful. Many, many thanks to the following who have proctored a recent exam:

Patricia Awsiukiewicz	Cindy Brenneman
Maryanne D'Angelo	Jennie Egan
Christie Faesser	Elizabeth Forbes
B.T. Friedrichsen	Pat Gaines
Elaine Heaston	JoAnne Henke
Shannon Meyer	Wayne R. Meyers
Joan Morrison	Paul H. Powers
Paul W. Reinsch, Sr.	Paul Shoemaker
Amy L. Sisson	Laurie Swinney
Mark T. Walz	Shannon Wolcott

The May exam will be held at the newly opened Lancaster County Events Center at 4100 North 84th Street in Lincoln. If you can help with proctoring the May 2-3, 2001 CPA Examination, please call the Board office at 1-800-564-6111 or (402) 471-3595 in Lincoln.

## 150-HOUR EDUCATIONAL GUIDELINES

The 150 Semester Hour Educational Requirement in the Public Accountancy Act (Section 1-116) was effective January 1, 1998. Along with the rules in Title 288, Chapter 9, the Board has developed Guidelines to assist in the law's implementation. The most current Guidelines are always posted to the Board's web site at [www.nol.org/home/BPA](http://www.nol.org/home/BPA) and should be consulted periodically by those wanting to qualify to sit for the Uniform CPA Examination under Nebraska's law or applying for a Nebraska certificate by reciprocity.

## GENERAL GUIDELINES (9/00)

1. Title 288 NAC, Chapter 9, Section 003.04 Review of Transcript: Appropriate level of course work; transfer hours means that credit hours transferred from non-four year institutions to four year institutions shall be acceptable for purposes of satisfying the required 150 semester hour requirement solely to the extent the four year institution “accepts” the transferred hours for the purposes of awarding a degree. Credits earned after the awarding of a baccalaureate degree must be earned at a four-year institution.

2. Credit will not be allowed for courses that are only audited.

3. Courses in taxation and business law through the College of Law would be acceptable to meet the 150-hour requirement.

4. It is the responsibility of the candidate to prove that each subject matter has been met by a valid credit course supported by a transcript.

5. A foreign candidate’s transcript is required to be evaluated in such a manner as to determine that the accounting and business required subject matters are equivalent to the requirements for U.S. candidates.

6. For Title 288 NAC, Chapter 9, Section 003.03A, a candidate with a graduate degree in accounting or a concentration in accounting from an institution whose accounting program is not accredited by the AACSB - The International Association for Management Education must be able to demonstrate that the candidate has completed all the subject matter requirements in Chapter 9, Sections 003.02A&B. **NOTE:** The University of Nebraska - Lincoln’s graduate accounting program is currently the **only graduate** accounting program in Nebraska approved by the AACSB.

7. Candidates who have sat for the Uniform CPA Examination as a candidate of another state and who wish to transfer their grades to Nebraska (whether they have passed the entire examination or not) **must** fulfill Nebraska’s 150 Semester Hour Education requirement.

8. Nebraska candidates sitting for the CPA Examination for the first time (“Initial Candidates”) cannot be proctored in another state, but must sit for the CPA Examination at the Nebraska site. However, they may be proctored at other states’ sites for subsequent sittings.

### 30 Semester Hours in Accounting Beyond Principles

1. Accounting courses, regardless of the level at which taken (upper level undergraduate or graduate level), will be evaluated to determine if they are in fact equivalent to an accounting **principles** course and therefore would **not** be acceptable in satisfaction of the thirty semester hour requirement.

2. **Graduate** Independent/self study courses proposed to satisfy an accounting “core subject matter” requirement must essentially be equivalent to the requirements of the course for which it is being substituted. The student would be required to attend all class meetings, complete all assigned read-

ings and course work, and to take all exams. Auditing of a course would not be sufficient.

A “core subject matter” refers to the specific subjects identified in Title 288, Chapter 9, Sections 003.02A and 003.02B (i.e., “Financial accounting theory and problems,” “Macroeconomics,” etc.)

3. Information systems included in the thirty semester **accounting** core subject matter must be **accounting information systems** rather than general information systems.

4. Accounting subject matter must be satisfied by courses designated by the institution as an accounting course.

5. There is a limit of three credit hours for an accounting internship within the thirty semester hour Accounting Requirement. If the internship does not have an accounting prefix (for example, “ACC”), then the student will have to provide verification that it was an accounting internship.

6. There is a limit of three hours for independent/self study within the thirty semester hour Accounting Requirement. If the independent/self study does not have an accounting prefix (for example, “ACC”), then the student will have to provide verification that it was an accounting course.

7. Special topics and seminars may be used to meet the core subject matter requirement within the thirty semester hour Accounting requirement as long as the class meets regularly with a professor, is not a “self-paced” course, and at least 25% or more of the proposed course, **by content and grade**, covers the subject matter. This could be evidenced by a course syllabus and/or a letter from the instructor. The course cannot cover more than two subject matter requirements.

8. Internships and Independent/self study courses are **not** acceptable in satisfaction of the core subject matter requirements in the thirty semester hour Accounting area, but **may be used as electives** to fulfill the thirty hour requirement.

### 36 Semester Hours in General Business

1. Non-business courses proposed as substitutes for coursework in the required subject matter areas of Business Communication and Business Ethics will require the applicant to provide documentation that at least 25% or more of the proposed course, **by content and grade**, covers the subject matter. This could be evidenced by a course syllabus and/or a letter from the instructor. The course cannot cover more than two subject matter requirements.

2. Non-business prefix courses will require evidence of how they meet the subject requirement within the business section. For example, computer courses could be used to meet General Business subject requirements, if the college or university classifies it as a business course.

3. An Independent/self study course is acceptable in satisfaction of a subject matter requirement or an elective. There is a credit limit of 3 hours in the General Business area.

4. Business internships are acceptable as an **elective** in the general business area and are limited to three hours of credit.



# NOTICE

## **2001**

January 31 CPE Reports for Year 2000 DUE!  
February 19 President's Day - Office Closed  
March 31 Applications for May CPA Exam DUE  
April 27 Arbor Day - Office Closed  
**April 30-May 1 Board Meeting, Lincoln, NE**  
May 2-3 CPA Exam, Lincoln, NE  
May 28 Memorial Day - Office Closed  
May 30-June 1 NASBA Regional Meeting, K.C., MO  
**June 18-19 Board Meeting, Lincoln, NE**  
June 30 \*ALL PERMITS TO PRACTICE  
FOR **INDIVIDUALS WITH EVEN**  
BIRTH YEARS EXPIRE!!  
\*ALL **FIRM** PERMITS EXPIRE!  
July 4 Fourth of July - Office Closed  
September 3 Labor Day - Office Closed  
**September 20-21 Board Meeting, Lincoln, NE**

## **BOARD OF PUBLIC ACCOUNTANCY**

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### **BOARD PERSONNEL**

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